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ABSTRACT

A nationwide survey was conducted to determine the States' formulae for funding operating expenses of the public two-year colleges. A one-page questionnaire, mailed to each State director for community/junior colleges, requested information on allocation formulae for operating expenses, capital outlay, and the State's total community/junior colleges appropriations for the past three years. The forty-three States providing data were grouped into four categories for analysis of responses: (1) for those reporting no formula; (2) for these that did not report any actual dollar amount per unit of measure; (3) for those reporting some set rate or schedule of rates, $/unit of measure; and (4) for those reporting detailed procedural methodologies. Data concerning State versus local shares in funding were also obtained. The questionnaire and a table of total dollars apportioned by States for their public two-year colleges are appended. (KM)

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STATE FUNDING FORMULAE

FOR

PUBLIC TWO-YEAR COLLEGES

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FOREWORD

In 1962 Morrison and Martorana reported the results of a survey of state formulae for the support of public 2-year colleges. This report was published by the U. S. Office of Education and received wide distribution; it became a basic document in community college financial studies. The final chapter of their report is entitled "Some Unanswered Questions." These are:

1. Should public 2-year colleges be tuition free?
2. Are public 2-year colleges secondary or higher education?
3. How can support be secured for land acquisition and improvement and for planning and constructing facilities for the 2-year college?
4. What should be considered a 2-year college?
5. What is a desirable level of current support?
6. How can effective procedures for setting support be formulated?

One can see that some of these questions are no longer major issues in the community college field. Community colleges are now considered unquestionably to be a part of the higher education family. In fact both universities and community colleges are now more often classified under the heading "post-secondary education." The emphasis upon low tuition continues in most states, but there appears to be a build-up of pressures for tuition increases to be approved. A more comprehensive

program is expected with less emphasis upon the "junior" aspects of community college operation. Costs have increased, and there presently is a wider gap between those colleges with a low level of current operating support and those in the higher levels. While there is still concern for capital construction, the emphasis is often upon loaned and borrowed facilities for many of the new community colleges' classes and activities.

Since the Morrison-Martorana study, newer studies by Arney as well as by Wattenbarger, Cage and others have provided additional information about community college finance. Lombardy has also provided a current analysis. These later studies have pointed out the increasing emphasis upon state level planning, upon increased state tax support, upon improved management and techniques, upon differential funding according to programs, and upon funding the total college offerings, including many non-credit and other community service courses. These trends indicate changes which are generally influencing the direction of community college financial support.

Wattenbarger and Cage predicted a continued increase in numbers of persons who would be served by community colleges provided that these institutions received financial support which permitted and/or encouraged them to develop truly comprehensive programs. Subsequent enrollment figures in higher education have supported the validity of their predictions. Those colleges which provide limited programs are finding that their enrollments are decreasing, while those who are emphasizing continuing education and vocational courses are still experiencing increases in enrollment.

There is still a wide variety of approaches to financing community

colleges. The number of systems, however, in 1973 which receive total support (insofar as public support is concerned) from the state is larger than ever before. Even in states with long established community colleges heavily supported by local taxation, there is an observed increase in the portion that comes from the state. The feared impingement upon institutional autonomy is not the subject of this investigation, and yet, one might well observe that state level controls over individual institutions are little greater now, even with more state support, than was formerly the case. The better word is the more beneficial concept of state level coordination.

The four groupings of states may be summarized as follows:

14 states in Category I - No state forumla

5 states in Category II - State support by general formulae

17 states in Category III - State support by dollar amount in formula

10 states in Category IV - State support by involved formula

Each state reporting in this study is classified in one of these categories. The largest number is in Category III, where state support is by formula with a predetermined amount of dollars in the formula. Several states reported that some of their colleges were supported in ways which would place them in more than one category. Even though there is no universally accepted definition of a FTE, this unit, however defined, is used most often as a basic unit for funding.

This study indicates that there continues to be much diversity in the community college programs in the various states, and therefore much variety in the structure of their financial support.

James L. Wattenbarger, Director
Institute of Higher Education

December, 1973

SECTION I
INTRODUCTION

During the 1972-73 meetings of the National Council of State Directors of Community/Junior Colleges (NCSDCJC), there were discussions and interest expressed among the state directors about the current funding allocation practices of the member states. The need for a nationwide study and report of the states' formulae for funding operating expenses of the public two-year colleges was recognized.

The study was conceived to be a fitting spin-off project akin to the State Directors' Management Information System Project being conducted by the University of Florida/Florida State University Center for State and Regional Leadership staff. A brief one page questionnaire was developed and mailed to each state director for community/junior colleges in March, 1973. The funding formulae questionnaire requested information on allocation formulae for operating expenses, allocation formulae for capital outlay, and the state's total community/junior colleges appropriations for the past three years.

Forty-three states returned the questionnaire providing data they had available. Seven states could not provide the information requested at that time. The seven states not returning the questionnaire data were Indiana, Minnesota, New Hampshire, Pennsylvania, South Dakota, Tennessee, and West Virginia.

SECTION II

The Operating Expenses Formulae of the States

A researcher desiring to investigate current state funding practices for the public two-year colleges soon becomes aware of the fact that he is attempting to sight a moving target. The variety of apportioning methods and fuzzy line differention between apportioning methods and methods of arriving at budgets are central to the problem of categorizing and aggregating the reported state formulae. This variety is further complicated by the status of flux found in many of the states. The method for budgeting and for apportioning state funds appears to be in the process of changing in several states.

The states are grouped into four categories for the reporting of their operating expenses formulae responses. Category I is for those states reporting no formula, and is self-explanatory. Category II is for the group of states who did not report any actual dollar amount per unit of measure. That is, no $/credit hour, $/F.T.E. student, $/F.T.E. instructor position was indicated. Conversely, Category III is for those states reporting some set rate or schedule of rates, $/unit of measure, in their formulae. Category IV is for the remaining states reporting detailed procedural methodologies.

CATEGORY I: States Reporting No Operating Expenses Formula

Fourteen states responded that no formula is used to allocate state appropriations for college operating expenses. However, one of these states, Colorado, has six locally supported colleges that receive state appropriations for operating expenses on a different basis. (See page 11) These states are:

Group "A": (Seven States)

1. Alaska - Statement: Appropriation Determined by Legislature
2. Idaho - None
3. Kentucky - None
4. Maine - Statement: Legislative Appropriation
5. Massachusetts - None
6. Utah - Statement: Each Budget is Handtailored
7. Vermont - None

Group "B": (Seven States)

1. Arkansas - State funding is on an individual needs basis. A college budget is locally prepared and submitted to the state community college board. The state community college board recommends action to the legislature. The legislature may appropriate the amount recommended or a percentage thereof.
2. Colorado - (State Junior Colleges Only)
   Totally state supported: appropriations are made at the discretion of the legislature based upon the budget requests of the colleges.

3a. Connecticut - (Community Colleges)
   The community colleges are fully state funded. State funds are apportioned in accordance with past experience and the anticipated

CATEGORY I: States Reporting No Operating Expenses Formula

3a. Connecticut (continued)

needs of each college as determined by their respective presidents. Currently the level of funding is $1,000/FTE student.

3b. Connecticut - (Technical Colleges)

State funds are apportioned in accordance with past experience and the anticipated needs of each college as determined by their respective presidents. The colleges are fully state funded.

4. Delaware - 100 percent state funding is by line item budget submitted via the governor to the legislature. Day student tuition is returned to the state treasurer. Evening division student tuition is retained by the college to defray the cost of this operation.

5. New Mexico - There is a statutory guarantee of a minimum combined state and local funds base of $325/FTE student. In practice, the state appropriated funds are equal to the approved budget amount minus all other sources of income.

6. Rhode Island - The state appropriation is equal to the estimated expenses minus the budgeted anticipated income from other sources.

7. Virginia - Funding is based upon the expected number of students and the expected number of required staff. Currently, in practice, the state pays approximately eighty percent of college operating costs.

CATEGORY II: States Not Reporting Dollars Per Unit of Measure in Operating Formula

Five states responded with conceptual formulae for allocating state funds for operating expenses. Dollar amounts were not given in these responses with the exceptions of the blanket grants awarded by two of the states.

The states are:

1. Alabama - The state allocation to each college is equal to a grant of $50,000 per college plus the regional accrediting association's (S.A.C.S.) minimum standard operations expenditure per F.T.E. student by size of college. Proration occurs if appropriations are less than 100% of need.
2. Mississippi - The allocation of state funds for operating expenses is in four parts. Each college district is allocated $10,000 per year for site funds. Each college district is allocated $31,250 per year for vocational education site support. The remaining academic program appropriation is allocated to the colleges proportionally by full-time day student Mississippi resident enrolled. The remaining vocational education appropriation is allocated to the colleges proportionally according to enrolled full-time day student Mississippi residents. The ratio of state appropriations for academic programs to vocational programs for FY '73 was ten to one respectively.
3. Montana - The state share of college operating expenses is computed to equal the college general fund plus nine percent of the general fund. The allocation is treated as a grant-in-aid to the colleges. The entire biennial appropriation is available in one check on July 1 of the new fiscal period.

CATEGORY II: States Not Reporting Dollars Per Unit of Measure in Operating Formula

4. Nebraska - The state share of operating expenses is equal to the approved budget amount minus tuition and fees, local one mill property tax revenues, federal funds other than direct grants, and revolving funds other than auxiliary enterprises.

5. Wisconsin - The state board annually determines the state-wide operational cost per full-time equivalent student in collegiate transfer, associate degree, and vocational diploma programs. The state-wide operating cost is multiplied by 55 percent to determine the rate of state aid per full-time equivalent student in collegiate transfer, associate degree and vocational diploma programs. The state aid rate for vocational adult programs is 50 percent of the state aid rate for the other programs. The computed state aid rate per FTE student for each of the programs is multiplied by the FTE student enrollment in each program to determine the state aid payable to the district. In addition to this state aid, the district is allocated $0.25 for each student period of 50 minutes or more of actual attendance for instruction in state board approved driver training courses.

   Limitation: If administrative expenses exceed 11 percent of the total annual instructional costs of a district, the state aid is reduced on the excess costs over the 11 percent by an amount equal to 55 percent for that aid attributable to post-high school programs plus 27.5 percent for that aid attributable to part-time adult programs.

CATEGORY II: States Not Reporting Dollars Per Unit of Measure in Operating Formula

5. Wisconsin (cont)

Definitions:

one FTE student = 15 credit hours for Associate Degree Programs

one FTE student = 22.5 weekly contact hours for Vocational Diploma Programs

one FTE student = 650 attendance hours for Apprentice Programs

one FTE student = 620 attendance hours for Part-Time Adult Programs

CATEGORY III: States Reporting Dollars Per Unit of Measure in Operating Expenses Formula

Seventeen states responded giving formulae for allocating state funds for college operating expenses that included set dollar rates in terms of FTE students or student credit hours. Nine of these states are included in Group "A": states allocating funds at a common dollar rate for all instructional program areas within a college. The group "A" states are: Georgia (local district operated college only. See page 24), Iowa, Kansas, Maryland, Missouri, New Jersey, North Dakota, Oklahoma, and Oregon. (Only Oklahoma's locally supported community colleges apply here. See page 33.) The remaining eight states constitute Group "B": states allocating funds at different rates for two or more broad areas of instruction. The Group "B" states are: Arizona, California, Colorado (the locally supported colleges only), Illinois, Michigan, New York, Ohio, and Wyoming. The formula for Colorado's state junior colleges appears in Category I. (See page 3.)

Group "A": (Nine States)

1. Georgia - (For Board of Regents formula colleges see page 24) The colleges operated under a local district are allocated state aid at the rate of $500/FTE student for the normal nine month academic period.
2. Iowa - The state formula allocation to each college is equal to the college FTE enrollment for Iowa residents multiplied by the product of 180 days times $2.25 per day per FTE enrollment. An FTE enrollment is defined as equal to total reimbursable hours divided by 540 hours. One reimbursable hour is defined as equal to either of the following: one contact hour of lecture in academic or vocational education, two contact hours of laboratory, one contact hour of adult high school or adult basic education, two contact hours

CATEGORY III: States Reporting Dollars Per Unit of Measure in Operating Expenses Formula

Group "A" (Continued)

2. Iowa - (Continued)

of adult general education. The Iowa formula may be expressed: F.T.E. Iowa resident enrollment X 180 days X $2.25/day/F.T.E.= Allocation. (A note on Iowa's response indicates the state is presently using a negotiated line item budget approved by the legislature and the governor for the 1971-73 biennium.)

3. Kansas - The state allocation for college operating expenses is currently eight dollars per credit hour. ($8.00/credit hour)

4. Maryland - The state allocation for FY '73 to state junior colleges equals $700/F.T.E. student. The state allocation for FY '73 to the regional colleges and to colleges in a service district of less than 50,000 population equals $875/F.T.E. student. The expected FY '74 allocation to the regional colleges and colleges in service districts of less than 50,000 population is $1100/F.T.E. student.

5. Missouri - The state allocation is either $400/F.T.E. student or 50 percent of actual operating costs, whichever is the lesser. In no instance shall the state share be less than $320/F.T.E.S. (One FTES = 24 semester credit hours/year)

6. New Jersey - State funds are allocated for 50 percent of college operating costs. The maximum allocation allowed is $600/F.T.E.student.

7. North Dakota - The state share of college operating expenses is $200 per full-time student in attendance either two semesters or three quarters. An additional $300 per full-time student in attendance is allocated to those districts levying a minimum of 8 mills for local

CATEGORY III: States Reporting Dollars Per Unit of Measure in Operating Expenses Formula

Group "A" (continued)

7. North Dakota (continued)

support of the college. A full-time student in attendance is defined as 12 class hours per week for at least 30 days of each semester or quarter for either two semesters or three quarters.

8. Oklahoma - (The six Community Junior Colleges only)

The state allocation for locally supported community colleges is 75 percent of the per capita state allocation to the state two year colleges.

Presently this is: 75% x $589.14/ FTE average = $441.86/FTE

(See Oklahoma formula for state colleges: page 33)

9. Oregon - The state allocation formula applies to Oregon resident FTE students only. For the first year of the biennium, the allocation rates are:

$701/FTE student for the first 500 FTE plus
$579/FTE student for the next 400 FTE plus
$528/FTE student for the remaining FTE in excess of 900 FTE.

For the second year of the biennium, the allocation rates are:

$753/FTE student for the first 500 FTE plus
$614/FTE student for the next 400 FTE plus
$560/FTE student for the remaining FTE in excess of 900 FTE.

The state funds shall be no greater than an amount equal to the actual college operating expenses minus tuition and fees (excluding out-of-state fees greater than resident fees) minus those federal funds reimbursing the district for vocational-technical programs.

CATEGORY III: States Reporting Dollars Per Unit of Measure in Operating Expenses Formula

Group "B" (Eight states)

1. Arizona - The state allocation for the first 1,000 FTE students is $680/FTE plus an additional $270/FTE vocational student. The allocation for the FTE students in excess of the first 1,000 FTE is $440/FTE plus an additional $176/FTE vocational student. One FTE student is equal to 15 credit hours. The estimated annual FTE for budgeting is equal to the sum of the Fall FTE plus the Spring FTE divided by two. FTE are counted 45 days after classes begin each semester.

2. California - The state share of college operating expenses is equal to the sum of ($679/ADA for other than defined adult students minus the district assessed valuation x $0.0025) plus ($556/ADA for defined adult students minus the district assessed valuation x $0.0024). Defined adult students: students over 21 years old who are enrolled in fewer than 10 class hours per week.

3. Colorado - (Locally supported colleges only)
The state funds contribution to each college for operating expenses is equal to $575/FTE student plus an additional $475/FTE vocational student. The Colorado formula may be expressed:
State funds = ($575/FTE x Non-Vocational FTE) + ($1050/FTE x vocational FTE).

4. Illinois - The state funding rate is $495/FTE student in either a non-vocational education program or a business vocational education program. The state funding rate is $570/FTE student in a non-business vocational education program. A college may qualify for additional special grants: equalization grants, disadvantaged

CATEGORY III: States Reporting Dollars Per Unit of Measure in Operating Expenses Formula

Group "B" (continued)

4. Illinois (continued)

student project grants, public service grants. For FY '73, equalization grants by the state bring total funding (state and local) up to $750/FTE student, if the local taxes and tuition added to the regular state funding rate does not equal the $750/FTE student level. To qualify for the equalization grant, however, the local taxing effort must be at least 17.45 cents and the tuition rate must be at least $8.00/semester hour.

(The $495/FTE rate is also given as $16.50/semester credit hour)

(The $570/FTE rate is also given as $19.00/semester credit hour)

The Illinois formula may be expressed as follows:

State funds = ($495/FTE x non-vocational and business FTE) + ($570/FTE x non-business vocational FTE) + special grants for equalization, disadvantaged student projects, and public service.

5a. Michigan - (FYES = Fiscal Year Equated Students)

For colleges of greater than 1,500 FYES operated by public school districts: The state funding rate for liberal arts and business and commerce programs is $1,091/FYES. The rate for vocational-technical programs (excluding health) is $1,656/FYES. The rate for health related programs is $2,203/FYES. The state allocation is equal to the sum of these rates multiplied by corresponding program FYES, plus the total FYES dollars generated multiplied by the factor (50 ÷ FYES total), minus tuition and fees, minus either the product of the local tax levy of one mill times the district's state equalized valuation or $390 times the district's

CATEGORY III: States Reporting Dollars Per Unit of Measure in Operating Expenses Formula

Group "B" (continued)

5a. Michigan (continued)

FYES total, whichever is lesser. (An exception in local tax levy applies to Wayne County Community College: by law the rate is 0.25 mill x the equalized district valuation.)

The formula may be expressed as follows:

State funds = ($1091/FYES x Lib. Arts, Business & Commerce FYES) +

($1656/FYES x vocational-technical FYES) +

($2203/FYES x Health-Related FYES) +

(total FYES dollars generated x 50 ÷ FYES total) -

(tuition and fees total) -

(local 1 mill levy x equalized district valuation or $390 x FYES total, whichever is lesser).

The FYES is defined as:

One FYES = 31 student credit hours (Semester System)

One FYES = 36 student credit hours (Trimester System)

One FYES = 46.5 student credit hours (Quarter System)

5b. Michigan - For college districts organized under Chapter 5, Act no.331 of Public Acts 1966:

The state funding rate for liberal arts and business & commerce programs is $1,165/FYES. The rate for vocational-technical programs is $1,428/FYES. The rate for health related programs is $2,163/FYES. The state allocation is computed in the same manner as the previous formula indicates, but with the above stated dollar rates. The defined items remain the same.

CATEGORY III: States Reporting Dollars Per Unit of Measure in Operating Expenses Formula

Group "B" (continued):

5c. Michigan - For all other college districts:

The state funding rate for liberal arts and business and commerce programs is $1,251/FYES. The rate for vocational-technical programs is $1,734/FYES. The rate for health related programs is $2,203/FYES. The state allocation is computed using these dollar rates substituted in the previous formula. The same limitations and definitions apply as previously stated for Michigan colleges.

6a. New York - (Colleges not "Full Opportunity Plan Colleges")

The formula for allocating state funds for college operating expenses is as follows:

State funds = ($518/FTE student x total FTE) or
(1/3 of the net operating budget) or
(1/3 of actual expenditures for operations) whichever is lesser.

A college may qualify for additional state aid of $29/FTE student by meeting minimum conditions as follows:

(1) The FTE student/FTE teacher ratio is equal to or greater than 17.0/1.

(2) The cost of instruction is equal to or greater than 50 percent of the budget after deduction of physical space rentals.

(3) The number of full-time day credit students in Associate in Applied Science programs is equal to or greater than 50 percent of the total full-time day credit students.

(4) The total local contribution of funds for operations is equal to or greater than 0.5 mill x the total valuation of taxable real property.

A college may also qualify for additional state aid of $75/FTE student, if the percentage of full-time disadvantaged day students within the

CATEGORY III: States Reporting Dollars Per Unit of Measure in Operating Expenses Formula

Group "B" (continued)

full-time day student population is equal to or greater than the percentage of disadvantaged persons within the total district population. One FTE student = 30 semester credit hours or 45 quarter credit hours. One FTE teacher = College total class hours taught ÷ Normal teaching load. One full-time day student = 12 credit hours in the day division. (A special limitation states that state aid to "regular" colleges may not increase or decrease more than $29/FTE student from year to year).

6b. New York - (Full Opportunity Plan Colleges)

The state funds share is equal to $621/FTE student or 2/5 of the net operating budget or 2/5 of actual expenditures for operations, whichever is lesser. A Full Opportunity Plan College may qualify for additional state aid of $35/FTE student by meeting the four minimum conditions listed for "regular" colleges (See page 14). A Full Opportunity Plan College may also qualify for additional state aid of $90/FTE student, if the full-time disadvantaged day students to total full-time day students ratio equals or is greater than the ratio of disadvantaged persons within the district to the total district population. The previously defined N. Y. factors for FTE and FTDS apply.

These special limitations apply to the Full Opportunity Plan Colleges (FOP Colleges):

(1) For the first year of operation of a FOP college, state aid may not increase more than either 20 percent of the total aid for the preceding year or $35/FTE student, whichever is lesser.

CATEGORY III: States Reporting Dollars Per Unit of Measure in Operating Expense Formula

Group "B" (continued):

6b. New York (continued)

(2) State aid for FOP colleges may not increase or decrease more than $35/FTE student from year to year after the initial year of operation.

7. Ohio - The state operating expenses allocation formula rates are: $480/FTE student in general studies, $810/FTE student in technical studies. The formula may be expressed:

State funds = ($480/FTE x total general FTE) + ($810/FTE x total technical FTE)

8. Wyoming - (one FTE student = 12 student credit hours)

The statutory minimum required operations funding rates with local and state shares combined are:

(a) For colleges with less than 500 FTE students, $950/FTE academic student and $1425/FTE vocational student.

(b) For colleges with greater than 500 FTE students but less than 1500 FTE students, $900/FTE academic student and $1350/FTE vocational student.

(c) For colleges with greater than 1500 FTE students, $810/FTE academic student and $1275/FTE vocational student.

The minimum required local resources effort per FTE student is equal to the sum of $150/FTE student (representing tuition) plus a four mill levy multiplied by the following percentages of assessed property valuation: (d), (e), (f), (g), (h); per FTE:

(d) 100% of the first $50,000 valuation
(e) 66 2/3% of the second $50,000 valuation
(f) 33 1/3% of the third $50,000 valuation
(g) 0.0% of the fourth $50,000 valuation
(h) 33 1/3% of the fifth $50,000 valuation

CATEGORY III: States Reporting Dollars Per Unit of Measure in Operating Expenses Formula

Group "B" (continued)

8. Wyoming (Continued)

The minimum local effort may be expressed:

Local funds/FTE = ($150/FTE student) + (4 mills x (d) +(e) + (f) + (h)/FTE)

The maximum possible local effort equals $617/FTE.

The state formula for a given FTE enrollment college may be expressed:

State funds = (minimum required dollar rate/FTE academic x total academic FTE) + (minimum required dollar rate/FTE vocational x total vocational FTE) - (The computed minimum required local resources effort)

The minimum state share that a college could receive where the 4 mill levy was in use would be:

(i) With less than 500 FTE students, $333/FTE academic student and $808/FTE vocational student.

(j) With greater than 500 FTE students but less than 1500 FTE students, $283/FTE academic student and $733/FTE vocational student.

(k) With greater than 1500 FTE students, $193/FTE academic student and $658/FTE vocational student.

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

Ten states responded giving procedural formulae/methods for computing budgets and/or allocations for their colleges' operating expenses. Several states base their formulae upon computed faculty positions or instructional units, and add to this base set rates of aid according to type of service or organizational support provided. The remaining states use a P.P.B. process with state aid being based upon multiple, multi-level cost centers. Some of these formulae include dollar amounts for the current year of operation, and some do not.

1. Florida - (One F.T.E. Student = 30 semester credit hours)

   The college funding allocation process embodies principles of planning programming and budgeting presently being developed in the state. It is a program funding process based upon actual costs of operations. The state allocation is computed from aggregations of the individual colleges' costs of providing instruction, plus growth and adjustment factors, and minus student fees and available federal funds.

   For computing course, discipline, program and total college costs in the allocation process, the colleges are grouped by size as either large colleges or small colleges. The large colleges are those with enrollments above 1300 FTE students. The small colleges are those with enrollments less than 1300 FTE students.

   All allocations are computed initially using college projected enrollments for the current year of operation, but the allocations are recomputed and adjusted periodically through the year as actual current year enrollments are reported to the state. The annualized

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

1. Florida (continued)

total FTE students equals the total annual semester credit hours (Fall through Summer) divided by 30 semester credit hours. The program funding process for determining the state allocation for the colleges is as follows:

(a) An annual cost analysis is performed by each college examining historical records of actual expenditures for the immediate preceding year of operation. This cost analysis report is submitted to the state in October of each year. The cost analysis report presents the computed unit cost per course for each course taught at a college. The unit cost per course includes:

1. A pro-rata share of the teacher's salary allocated in dollars per credit hour. Example: If a teacher teaches 15 credit hours, one fifth of his salary is allocated to a 3 credit course. (Non-credit courses are converted to credit hour equivalents by dividing contact hours by 27.)

2. A pro-rata share of instructional department costs allocated in dollars per credit hour. Example: If 300 credit hours are taught by a department, one percent (3/300) of departmental costs is allocated to a 3 credit course.

3. A pro-rata share of intermediate costs, college-wide costs, and physical plant operations and maintenance costs allocated in dollars per credit hour equally among all courses taught.

The cost analysis report exhibits course costs aggregated into discipline costs and discipline costs aggregated into broad program costs. The discipline costs and broad program costs are expressed in dollars per FTE student.

(b) The state separates the cost reports submitted into two groups, a small college group and a large college group, and aggregates the data by group.

(c) For each group, the costs per FTE student by discipline and by program are displayed, and a "state-wide average cost" for each discipline and program is computed.

(d) A cost ratio for each discipline is calculated by dividing the cost for each discipline category by the state-wide average cost for all courses.

Example: Health Professions / Average for All courses $= \frac{\$1800/\text{FTE student}}{\$1000/\text{FTE student}} = 1.8$

This ratio establishes the differential costs relationship among the various disciplines.

(e) A current year state-wide unitary cost is computed by the state as:

1. The base year state-wide average cost per FTE student.

2. An added adjustment for economic conditions. (calculated from the consumer price index and the wholesale price index and called the economic lag factor.)

3. An added adjustment for equipment.

4. A subtracted adjustment for student fees and incidental college income.

5. A subtracted adjustment for federal funds.

(f) The current year state-wide unitary cost is multiplied times the cost ratio for each discipline (see (d)) to produce the current year projected cost per FTE student in each discipline category.

(g) The estimated FTE enrollments by discipline category submitted by the colleges to the state are multiplied times the current year projected cost per FTE student in each of the discipline categories.

(h) The amounts generated in each discipline category are summed to produce the total college allocation.

(i) State allocation adjustments occur periodically as actual FTE student enrollments are reported.

FLORIDA DIVISION OF COMMUNITY COLLEGES — System Totals

Field of Study	1971-72 FTE Students	1971-72 Cost/FTE Stu.	Cost 1973-74 State Level Cost/FTE Stu.	1973-74 FTE Students	1973-74 State Allocation
Advanced & Profes.					
Agricul. & Nat. Res.	47.10	$ 1,161.50	$ 970.26	29.83	$ 28,942.75
Architecture & Engr.	36.40	1,503.21	1,270.97	58.73	74,644.13
Area Studies	0.00	0.00	977.67	2.55	2,493.06
Biological Studies	6,577.10	1,038.01	886.13	6,820.92	6,044,223.23
Business & Management	3,456.60	989.11	898.85	3,345.26	3,006,886.73
Communications	916.60	1,041.29	883.68	1,120.25	989,939.63
Computer & Info. Srv.	126.10	1,196.45	1,072.58	569.25	610,565.69
Education	5,238.20	1,302.02	1,177.40	3,752.15	4,417,780.87
Engineering	167.90	1,649.27	1,465.16	100.02	146,545.65
Fine & Applied Arts	8,890.90	1,137.87	983.52	9,148.52	8,997,711.65
Foreign Languages	1,669.30	1,258.06	1,088.41	1,745.31	1,899,608.93
Health Professions	302.40	1,359.53	1,173.20	289.86	340,064.91
Home Economics	137.40	1,167.96	977.67	113.92	111,376.17
Law	220.50	1,009.36	882.19	170.60	150,502.07
Letters	14,552.20	1,078.27	984.00	15,645.48	15,395,225.33
Etc.					
Total Advanced & Profes.	80,200.50	$ 1,050.47	$ 915.72	83,600.36	$76,554,108.17
Occupational					
Agriculture	388.60	1,380.60	1,181.86	601.13	710,449.32
Distributive	2,735.00	1,112.19	988.86	3,305.11	3,268,275.32
Health	3,731.90	1,826.93	1,568.08	4,921.75	7,717,692.66
Home Economics	920.20	1,385.69	1,168.20	1,452.02	1,696,251.21
Office	6,126.90	1,212.50	1,077.51	7,135.23	7,688,263.50
Trade and Industrial	3,734.00	1,326.33	1,177.49	5,259.88	6,193,477.10
Technical	7,636.70	1,405.26	1,183.64	8,448.27	9,999,678.30
Total Occupational	25,273.30	$1,376.33	$ 1,197.62	31,123.39	$37,274,087.41
Developmental					
Post High School	1,487.70	$1,213.70	$ 1,071.58	1,550.48	$ 1,661,463.95
Elementary and Sec.	3,413.30	1,184.19	1,074.92	4,686.31	5,037,391.79
Total Developmental	4,901.00	$1,193.15	$ 1,074.09	6,236.79	$ 6,698,855.74
Comm. Instr. Srvs.					
Citizenship	935.10	$1,112.62	$ 979.14	2,029.44	$ 1,987,113.29
Enrichment & Avocat.	783.70	1,054.89	898.65	860.02	772,854.18
Total Comm. Instr. Srvs.	1,718.80	$1,086.30	$ 955.18	2,889.46	$ 2,759,967.47
Grand Total	112,093.60	$1,130.73	$ 995.45	123,850.00	$123,287,018.79

FLORIDA DIVISION OF COMMUNITY COLLEGES

Small College Totals

Field of Study	1971-72 FTE Students	1971-72 Cost/FTE Stu.	Cost Level	1973-74 State Cost/FTE Stu.	1973-74 FTE Students	1973-74 State Allocation
Advanced & Profes.						
Agricul. & Nat. Res.	5.00	$ 1,090.80	.8	$ 905.40	3.06	$ 2,770.52
Architecture & Engr.	0.80	2,990.10	1.7	1,923.98	0.00	0.00
Area Studies	0.00	0.00	1.0	1,131.75	0.00	0.00
Biological Studies	322.20	1,204.22	..9	1,018.58	306.30	311,989.53
Business & Management	182.00	1,384,38	1.1	1.244.93	173.64	216,168.79
Communications	12.80	1,650.11	1.3	1,471.28	7.15	10,519.61
Computer & Info. Srv.	26.60	1,203.37	.9	1,018.58	28.61	29,141.43
Education	238.10	1,484.05	1.1	1,244.93	219.51	273,273.49
Engineering	8.10	2,267.40	1.7	1,923.98	17.37	33,419.45
Fine & Applied Arts	371.20	1,260.31	1.0	1,131.75	347.08	392,807.79
Foreign Languages	60.00	1,681.57	1.3	1,471.28	57.19	84,142.21
Health Professions	0.00	0.00	1.0	1,131.75	0.00	0.00
Home Economics	0.00	0.00	1.0	1,131.75	0.00	0.00
Law	5.40	821.10	.8	905.40	15.32	13,870.73
Letters	693.60	1,251.16	1.0	1,131.75	643.23	727,975.56
Etc.						
Total Advanced & Profes.	3,514.50	$ 1,253.11		$ 1,084.78	3,402.03	$3,690,452.30
Occupational						
Agriculture	48.20	$ 1,430.10	1.1	$ 1,244.93	72.52	$ 90,281.96
Distributive	114.30	1,327.30	1.0	1,131.75	239.93	271,540.78
Health	25.90	2,635.98	1.7	1,923.98	52.09	100,219.86
Home Economics	25.60	1,173.64	.9	1,018.58	46.98	47,852.66
Office	173.00	1,355.12	1.0	1,131.75	262.34	296,903.30
Trade and Industrial	206.60	1,457.87	1.1	1,244.93	314.62	391,678.31
Technical	208.10	1,757.78	1.4	1,584.45	214.31	339,563.50
Total Occupational	801.70	$ 1,522.24		$ 1,278.73	$1,202.79	$1,538,040.37
Developmental						
Post High School	52.60	1,105.09	.9	1,018.58	105.16	107,113.35
Elementary and Sec.	29.80	1,191.61	.9	1,018.58	42.90	43,696.87
Total Developmental	82.40	$ 1,136.38		$ 1,018.58	148.06	$ 150,810.22
Comm. Instr. Srvs.						
Citizenship	0.00	0.00	1.0	1,131.75	19.41	21,967.27
Enrichment & Avocat.	14.30	1,575.00	1.2	1,358.10	33.71	45,781.55
Total Comm. Instr. Srvs.	14.30	1,575.00		1,275.39	53.12	67,748.82
Grand Total	4,412.90	$ 1,300.86		$ 1,133.39	4,806.00	$5,447,051.71

FLORIDA DIVISION OF COMMUNITY COLLEGES — Large College Totals

Field of Study	1971-72 FTE Students	1971-72 Cost/FTE Stu.	Cost Level	1973-74 State Cost/FTE Stu.	1973-74 FTE Students	1973-74 State Allocation
Advanced & Profes.						
Agricul. & Nat. Res.	42.10	$ 1,169.89	1.0	$ 977.67	26.77	$ 26,172.23
Architecture & Engr.	35.60	1,469.80	1.3	1,270.97	58.73	74,644.13
Area Studies	0.00	0.00	1.0	977.67	2.55	2,493.06
Biological Studies	6,254.90	1,029.45	.9	879.90	6,514.62	5,732,233.70
Business & Management	3,274.60	967.14	.9	879.90	3,171.62	2,790,717.94
Communications	903.80	1,032.66	.9	879.90	1,113.10	979,420.02
Computer & Info. Srv.	99.50	1,194.59	1.1	1,075.44	540.64	581,424.26
Education	5,000.10	1,293.35	1.2	1,173.20	3,532.64	4,144,507.38
Engineering	159.80	1,617.93	1.4	1,368.74	82.65	113,126.20
Fine & Applied Arts	8,519.70	1,132.54	1.0	977.67	8,801.44	8,604,903.86
Foreign Languages	1,609.30	1,242.27	1.1	1,075.44	1,688.12	1,815,466.72
Health Professions	302.40	1,359.53	1.2	1,173.20	289.86	340,064.91
Home Economics	137.40	1,167.96	1.0	977.67	113.92	111,376.17
Law	215.10	1,014.09	.9	879.90	155.28	136,631.34
Letters	13,858.60	1,069.62	1.0	977.67	15,002.25	14,667,249.77
Etc.						
Total Advanced & Profes.	76,686.00	$ 1,041.19		$ 908.54	80,198.33	$72,863,655.87
Occupational						
Agriculture	340.40	$ 1,373.59	1.2	$ 1,173.20	528.61	$ 620,167.36
Distributive	2,620.70	1,102.81	1.0	977.67	3,065.18	2,996,734.54
Health	3,706.00	1,821.28	1.6	1,564.27	4,869.66	7,617,472.80
Home Economics	894.60	1,391.76	1.2	1,173.20	1,405.04	1,648,398.55
Office	5,953.90	1,208.36	1.1	1,075.44	6,872.89	7,391,360.20
Trade and Industrial	3,527.40	1,318.63	1.2	1,173.20	4,945.26	5,801,798.79
Technical	7,428.60	1,395.38	1.2	1,173.20	8,233.96	9,660,114.80
Total Occupational	24,471.60	$ 1,371.55		$ 1,194.36	29,920.60	$35,736,047.04
Developmental						
Post High School	1,435.10	$ 1,217.68	1.1	$ 1,075.44	1,445.32	$ 1,554,350.60
Elementary and Sec.	3,383.50	1,184.12	1.1	1,075.44	4,643.41	4,993,694.92
Total Developmental	4,818.60	$ 1,194.12		$ 1,075.44	6,088.73	$ 6,548,045.52
Comm. Instr. Srvs.						
Citizenship	935.10	1,112.62	1.0	977.67	2,010.03	$ 1,965,146.02
Enrichment & Avocat.	769.40	1,045.22	.9	879.90	826.31	727,072.63
Total Comm. Instr. Srvs.	1,704.50	$ 1,082.20		949.19	2,836.34	$ 2,692,218.65
Grand Total	107,680.70	$ 1,123.76		$ 989.89	119,044.00	$117,839,967.08

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

2. Georgia - The state has two funding methods for two year colleges: one method for junior colleges operated under the state board of regents along with the universities, and one method for junior colleges not operated under the board of regents. For the latter, colleges operated under a local district, see Category III, page 8 . For colleges operated under the board of regents, the state allocation is equal to the sum of: the computed equivalent full-time (EFT) faculty positions multiplied by the state established dollar rate/EFT faculty; plus the total EFT positions multiplied by the operating expenses dollar rate/academic EFT position; plus the extension and public service set dollar rate per Continuing Education Unit (C.E.U.) multiplied by the total C.E.U.'s; plus, for general administration and institutional and student services, 19.6 percent of the computed amount in instruction and research and extension and public services' categories; plus an established amount for staff benefits; plus, for operation and maintenance of physical plant, a set rate per square foot multiplied by building square footage and a set amount for major repairs and replacement; plus, for library services, nine percent of the computed amount in instruction and research and extension and public services' categories.

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

2. Georgia (continued)

The board of regents formula data elements are:

ELEMENT OR CATEGORY	DATA BASIS
Instruction and Research	
A. Academic Personnel	
1. Lower Division Instruction	1500 credit hours per EFT faculty position
2. Academic Administration	One EFT position per 15 EFT faculty positions
B. Non-Academic Personnel	One EFT position per 3 EFT academic positions
C. Operating Expenses	Established rate per EFT academic positions
Extension and Public Service	Established rate per Continuing Education Unit (CEU)
General Administration, Institutional and Student Services	19.6 percent of instruction & research and extension & public services; and a separate amount for staff benefits
Operation and Maintenance of Physical Plant	Established rate per building square foot; and a separate amount for major repairs and replacement
Library Services	9 percent of instruction & research and extension & public services

3. Hawaii

The public two-year colleges are involved as part of the University of Hawaii in the move into program budgeting and its attendant multi-year long range planning. The current six-year budget plan includes an operating expense formula differentiating state support for instruction geographically between Oahu and the neighbor islands.

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

3. Hawaii (continued)

The formula allocation of funds to the colleges is based upon the college programs (not curricular programs) as follows:

1. Instructional Program - Liberal Arts on Oahu = $18/student credit hour
   Liberal Arts on Other Islands = $23/student credit hour
   Vocational Education (all) = $28/student credit hour

2. Instructional Support Program - $175 per student enrolled.

3. Student Services Program - $75 per student enrolled

4. Academic Support Program - $90 per student enrolled

5. Public Service Program - $0 per student enrolled (No support for this biennium).

4. Louisiana - (The appropriation formula was submitted as the survey response: see the note at the end).

The state appropriation formula includes a summed salary base computed from the actual student-semester credit hours (SCH) produced in curricular programs (disciplines). The SCH are multiplied by their respective basic funding factor amounts expressed in dollars per student-semester credit hour. This computed total formula salary base is multiplied times an adjustment factor to compensate for expenses other than direct instructional costs. (An example adjustment factor for one college = 1.6265.) The total formula amount thus computed, plus special block grant supplements as determined by the legislature, equals the total state appropriation.

The appropriation determination procedure is as follows:

(a) On the 14th day of classes for each term of the year, the college evaluates the student registrations to determine the student credit

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

4. Louisiana (continued)

hours produced in each curricular program.

(b) The salary base factor chart for the current year of operation is used to determine the funding level in dollars per student-semester credit hour for each of the curricular programs. The 1972-73 basic factor chart of example funding levels is:

Program Area	$ Per Student Credit Hour
Agriculture	$ 20.62
Engineering	26.95
Fine Arts	29.46
Nursing	59.34 (1971-72 amount)
Pharmacy	26.95
Sciences	20.62
All Others:	
for 1st 10,000 SCH	41.25
2nd 10,000 SCH	27.49
any additional SCH	19.64

(c) The student credit hours generated in each program are multiplied by the appropriate factor, and the products are summed for each term of operation. The summed annual total is the total formula salary base.

(d) The total formula salary base is multiplied times a predetermined factor greater than unity to produce the total formula dollar amount. The greater than unity adjustment factor compensates for those college expenses other than the direct cost of salaries for instruction.

NOTE: The State Appropriation Formula attachments submitted appeared to be for the universities and four year colleges. To confirm the formula application for actual allocations to the two-year college,

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

Louisiana (continued)

a telephone check with Delgado Community College was made. Dr. Cecil Groves at Delgado indicated that appropriations and allocation procedures in practice for the two-year college actually were lump sum legislative appropriations equal to the previous year amount plus a percentage increase for growth. The previous year amount plus approximately 5 percent has been the recent practice.

5. Nevada - The Community college allocation is a part of the state's Board of Regents budget formula. The method of computing the state funds is composed of eight elements as follows; (a), (b), (c), (d), (e), (f), (g), (h):

   (a) The student to faculty ratio is used to determine the number of full-time equivalent (FTE) professional instructional positions. FTE professional instructional positions = FTE students ÷ a ratio factor.

   (b) The average number of dollars required to support each FTE instructional position is used to calculate the total amount of money required for non-professional positions, operating dollars, equipment dollars, and in-state travel. The total amount is calculated by multiplying the number of FTE professionals in the first element by the approved ratio for this second element.

   (c) The average all ranks 10 month compensation (salary plus fringe benefits) is the third element. This element is multiplied by the number of positions generated in (a), the first element, to produce the total professional costs for instruction.

   (d) The fourth element is the number of dollars for administration and general expenses/expenditures required for each FTE instructional position. Included here are the President's Office, Vice-President's Office, Controller's Office, Personnel Services, Purchasing, Central Office Services, and other similar and/or equivalent administration.

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

5. Nevada (continued)

(e) The fifth element is the number of dollars per FTE student that are required for student services. This includes the Office of Admissions and Records, Student Affairs, or equivalent departments.

(f) The sixth element, the total amount for operation and maintenance of the physical plant, is comprised of four parts:

(1) The building maintenance amount is calculated by multiplying the estimated number of outside gross square feet (OGSF) by the approved dollar rate for OGSF.

(2) The repairs and improvements amount is determined by multiplying the number of OGSF to be maintained by the approved dollar rate for OGSF.

(3) The grounds maintenance amount is determined by multiplying the estimated number of acres of improved campus to be maintained times the approved estimated cost per acre.

(4) The security amount is determined by estimating the number of security positions required and the cost of securing and/or maintaining sufficient automobiles and other equipment.

(g) The seventh element is for library services. The amount of funds required is generated by applying the State of Washington library formula to the projected number of FTE students, FTE staff, and the number of volumes required to support the instructional programs.

(h) The last element is for out-of-state travel. The amount is generated by multiplying the number of FTE professional positions times $150 per position.

These eight elements are summed to determine the total state monies for the college.

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

6. North Carolina - The Budget Full-Time Equivalent (B/FTE) System is used by the state to establish the operating expenses formula budget for each college from funds appropriated for allocation. The B/FTE System is based upon all (1 year and 2 year) curriculum FTE students and occupational, adult high school and general adult education extension FTE students. The FTE students count used in calculating the B/FTE is the four quarter average FTE count for the fiscal period immediately preceding the time of initial B/FTE and instructional unit allocations. The method of allocation of B/FTE, instructional units, non-teaching units, and multiple line item add-on support services from the Standards for Formula Budgeting is as follows:

(a) The system-wide number of (1 year and 2 year) curriculum instructional unit positions is determined by calculating an adjusted fall quarter 2 year curriculum FTE, adding the actual fall quarter 1 year curriculum FTE, and dividing the summed total (1 year and 2 year) fall quarter curriculum FTE by 22 FTE. (The adjusted fall quarter 2 year curriculum FTE is the larger of; either the actual sum of the freshman plus the sophomore fall quarter FTE, summed by 2 year curriculum program, or the freshman only fall quarter FTE of each 2 year program multiplied by 160 percent and summed.)

(b) The latest (1 year and 2 year) curriculum four-quarter average FTE (winter, spring, summer, fall) is calculated both for each institution and system-wide.

(c) An instructional units ratio for each college is calculated by dividing the individual college's computed number of instructional units by the system-wide curriculum four-quarter average FTE.

(d) The initial allotment of curriculum instructional unit positions to a college is equal to the product of the summed four-quarter average FTE for each curriculum program area multiplied by the instructional units ratio determined in (c) above. (Rounded to the nearest 1/2 position.)

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

6. North Carolina (continued)

(e) The curriculum B/FTE for each college is established by calculating the product of the curriculum instructional unit positions (d above) multiplied by 22.

(f) The extension instructional unit entitlement of a college is determined by dividing the latest four-quarter average extension FTE (winter, spring, summer, fall) by the factor 22. (Rounded to the nearest 1/2 position)

(g) The "students in membership" for use in multiple line item support areas of the Standards for Formula Budgeting are computed from the B/FTE as follows:

(1) One technical curriculum B/FTE x 5/6 = one "student in membership"

(2) One vocational curriculum B/FTE x 2/3 = one "student in membership"

(3) One of any other category B/FTE x 1 = one "student in membership"

(h) Adjustments or revisions in the instructional units and/or the B/FTE of a college may occur where certain specified conditions of curriculum arrangements and/or enrollment changes are in evidence. (Covered specifically in the budget formula policies)

(i) Non-teaching units, administrative and non-instructional staff positions are allocated for state funding purposes according to Chart A. (See page 32)

(j) The multiple line item add-on support and services funding occur in eight categories:

(1) General Administration - Chief Administrative Officer's Office
(2) Institutional Services - Curriculum Programs (College parallel; Technical and Technician; Vocational and Trade)
(3) Instructional Service - Extension Programs (Adult Education)
(4) Area Consultants - Vocational and Trade
(5) New Industry Training - Vocational and Trade
(6) Maintenance of Plant - Repairs to equipment
(7) Fixed Charges - Insurance and Employee Injury Compensation
(8) Auxiliary Services - Libraries

NON-TEACHING STAFFING CHART A

Based on Total Curriculum and Regular Budget Extension FTE

	0-150		151-250		251-350		351-500		501-700		701-1000		1001-1500		1501-2000		2001-2500		2501-3000		3001-3500	3501-4000	4001-4500	4501-5000	5001-5500	5501-6000	6001-6500	6501-7000	7001-7500	7501-8000
	TI	CC	TI	CC	TI	CC	TI	CC	TI	CC	TI	CC	TI	CC	TI	CC	TI	CC	TI	CC	TI&CC	TI&CC	TI&CC	TI&CC	TI&CC	TI&CC	TI&CC	TI&CC	TI&CC	TI&CC
President	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Inst. Dean	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Administrators	3	4	3	4	4	4	4	5	5	6	5	6	6	6	7	7	7	7	8	8	9	10	11	12	13	14	15	16	17	18
Counselor Registrar	0	0	0	0	1	1	1½	1½	2	2	3	3	4	4	5½	5½	7	7	8½	8½	10	11½	13	14½	16	17½	19	20½	22	23½
Librarian	1	1	1	1	1	1	1½	2	2	2	2	2	2	2	3	3	3	3	4	4	5	6	6	8	8	9	10	11	12	13
Learning Lab Coordinators	2	2	2	2	2	2	2	2	2½	2½	2½	2½	3	3	3½	3½	4	4	4½	4½	5	5½	6	6½	7	7½	8	8½	9	9½
Bookkeeper	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	2	2	2	2	2	2	2	3	3	3	4	4	4	5
Clerical	2	2	3	3	4	4	5	6	6	7	8	9	10	11	12	13	15	16	19	20	25	29	33	37	41	45	49	53	57	61
TOTAL	10	11	11	12	14	14	16	18½	19½	22½	22½	25½	28	29	34	35	40	41	48	49	58	66	73	83	90	98	107	115	123	132

New Institutions Phased in as Program Develops. Trustees, Upon Recommendation of Chief Administrative Officer, May Determine Specific Non-Teaching Personnel to be Employed Within Funds Available, Thus Permitting Substitutions but Not Additions to the Total Number of Positions Provided in the Formula Allotment.

Add 1 Administrator for each 500 above 8,000.
Add 1 Counselor Registrar for each 500 above 8,000.
Add 1 Librarian for each 500 above 8,000.
Add Learning Lab Coordinator for each 500 above 8,000.
Add 1 Bookkeeper for each 1,500 above 7,500.
Add 3 Clerks for each 500 above 8,000.

Extension of the Non-Teaching Staffing Chart Beyond the 7501-8000 Block

For each additional block of 500 B/FTE, the non-teaching staffing chart is increased by the following positions:

1 Administrator
2 Counselor
1 Librarian
Learning lab coordinator
4 Clearical

Also, for each additional block of 1500 B/FTE, the non-teaching staffing chart is increased by

1 Bookkeeper

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

6. North Carolina (continued)

Established rates of funding by line item in each category occurs for such items as supplies and materials, postage and telegraph, travel expenses, printing and binding, advertising and publicity, institutional dues, commencement and community cultural services. The dollar rates are expressed either as per "student in membership," or per professional position, or per institution and/or activity. The rates vary too widely to be listed here.

7a. Oklahoma -(7 State Two-Year Colleges only: Tulsa excluded)

The state regents determine budget needs and state funds allocations to the seven state two-year colleges by a procedure common to the state higher education system. From data collected on each college, the state projects full time equivalent (FTE) student enrollments, student-faculty ratios, and computed FTE teaching positions for each college. The state establishes an average salary per faculty position according to type of institution: university, four-year or two-year. The two year college salary average for 1973-74 was established at $11,400.

The budget allocation is divided according to function by the state. The functional divisions set by the st and the related percentages are reflected in the state's prescribed procedure for determination of each two-year college's total budget. The total budget computation for each college is as follows:

(a) The projected full year total student credit hours are divided by 30 to determine total full year FTE students.

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

7a. Oklahoma (continued)

(b) The total full year FTE students are grouped as 1/3 technical program enrollments and 2/3 academic program enrollments for all colleges except Murry State College. Murry State enrollments are grouped at 1/2 technical and 1/2 academic.

(c) Faculty positions are computed by dividing the technical programs portion of FTE students by 12 and the academic programs portion of FTE students by 28. The sum of these is the total number of faculty positions.

(d) The total faculty positions are multiplied by the established average 9 to 10 month faculty salary for the year. ($11,400 for 1973-74). This product is the total faculty salaries amount.

(e) The total faculty salaries amount is multiplied by 33 percent to arrive at the amount for other instructional expenses.

(f) The sum of faculty salaries plus other instructional expense, (d) + (e), is the budget base: the amount for the instructional function.

(g) The budget amounts for the seven remaining functions are computed as a percentage of the budget base and summed with the budget base to arrive at the budget total. Some function percentages vary among the seven colleges. The prescribed percentage of base add-ons by function are as follows:

Function	Percentage of Budget Base
General Administration	7%
General Expense	7%
Resident Instruction	-----the budget base------
Organized Activities Related to Instruction	9% for Conners 7% for Eastern 12% for Murry 5% for Northeastern A & M 2% for all others
Library	7%
Organized Research	2%
Extension and Public Service	2%
Maintenance and Operation of Physical Plant	14%

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

7a. Oklahoma (continued)

The functions of General Administration, Library and Physical Plant are computed on a minimum enrollment of 1,000 FTE students if enrollments are less than 1000 FTE.

(h) The state allocation share of the budget is equal to the budget total minus the annual collected revolving funds.

7b. Oklahoma - (Tulsa Junior College Only)

The state regents are using this college as the pilot two-year college for testing implementation of educational program budgeting.

The procedures for budget determination are as follows:

(a) Actual dollar costs per FTE student per identified educational program of study are computed.

(b) The FTE student enrollments projected for each educational program of study are multiplied times the computed cost per FTE student for the respective programs, and the products are summed. This sum is the total instructional program cost.

(c) Set dollar amounts are added for Organized Research and for Extension and Public Service.

(d) Local revenues (revolving funds) are subtracted from the total budget amount to arrive at the state share.

7c. Oklahoma - (Oklahoma State University, Oklahoma City Technical Institute)

The state budgeting and allocation procedure for this division of Oklahoma State University (awards the two-year associate degree) is the same as the procedure for the state two year colleges.

(a) Faculty positions are computed allowing 12 FTE technical program students per position and 28 FTE academic program students per position.

(b) The total faculty positions are multiplied by $11,400 (average 9 to 10 month 1973-74 salary) to determine the total faculty salaries amount.

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

7c. Oklahoma (continued)

(c) The budget base is the sum of the faculty salaries plus 35 percent of the faculty salaries amount for other instructional expenses.

(d) The prescribed percentage of budget base add-ons by function are:

Function	Percentage of Budget Base
General Administration	9%
General Expense	8%
Resident Instruction	----the budget base-----
Organized Activities Related to Instruction	---
Library	10%
Organized Research	--
Extension & Public Service	--
Physical Plant	17%

(e) The state share equals the total budget minus local revenues

8. South Carolina - (T. E. Centers are Colleges)

The state's plan of budget allocation procedures applies equally to all T. E. Centers except those involved in their first three years of operation. During the first three years of operation a T. E. Center receives additional funding computed as a percentage of the regular budget allocation plan: 30 percent additional for the first year, 20 percent additional for the second year, 10 percent additional for the third year.

The state budget allocation procedure generates the projected FTE instructor positions by educational program and uses average instructional salaries by program to arrive at the total direct cost of instruction. Set percentages of this direct instructional cost are added factors for growth, costs other than instructional

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

8. South Carolina (continued)

salaries, and other adjustments.

The budget allocation procedure is as follows:

(a) The instructional programs of study are categorized as either one year, two year, or "other". The "other" category includes adult education and college parallel programs.

(b) A students to teacher ratio for each program of study is established by the T. E. Center.

(c) The average student instructional hours per week for each program of study is computed.

(d) The average teacher contact hours load per week for each program of study is computed.

(e) A teacher-student factor for each program of study is calculated by dividing the average weekly student hours (c) by the average weekly teacher contact hours (d).

(f) The number of full-time students actually in membership in each program of study as of January 31 (mid-year) is recorded, and a percentage growth factor variable is added to the actual membership enrollment.

(g) The adjusted full-time student enrollment for each program is multiplied by the teacher-student factor (e) and this product is divided by the students to teacher ratio (b) to produce the teacher allocations per program. (the number of teaching positions for each program of study)

(h) For part-time courses, the teacher positions allocation by program of study is calculated at a defined amount per student contact hour as of mid-year, January 31.

(i) The total teacher allocation for each program is multiplied times the average teacher salary of the respective program, and the products are summed to produce the total direct cost of instruction.

(j) The total budget allocation is the sum of the direct cost of instruction plus a set percentage of direct cost to cover expenses other than instructional salaries.

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

9. Texas

The state allocation formula for 1971-73 includes a dual method of funding and contingency appropriations are made in both areas:

(a) General academic programs of study are funded at the set rate of $640 per Fall semester full-time student equivalent. The full-time student equivalent count for the year is determined by dividing the actual Fall semester student credit hours, as of the twelfth day of classes, by 15 credit hours.

(b) Vocational-technical programs of study are funded according to an established dollar per contact hour of instruction rate schedule. The total contact hours of instruction for the year, accumulated by program area, is multiplied by the appropriate schedule rate, and the respective program amounts are summed. The program rate schedule is developed from periodic cost studies.

The 1972-73 Vocational-Technical Formula Rates are:

Program Area	$ per contact hour
Agriculture	0.84
Homemaking	0.90
Restaurant Management	1.64
Mid-Management	.51
--Other Distribution and Marketing	.51
Secretarial and General Business	.93
Business Data Processing	1.82
Welding	0.68
Automotive	0.67
Fire Protection	1.54
Air Frame and Power Mechanics	1.52
Law Enforcement	0.61
Air Conditioning	0.68
--Other Industrial Education	1.16
Vocational Nursing	0.46
Associate Degree Nursing	1.51
Dental Assisting	1.53
Dental Hygiene	1.53
--Other Health Occupations	0.92
Career Pilot	2.59
Drafting and Design	0.84
Electronics	1.26
--Other Technical Programs	2.59
Related Voc-Tech Subjects	0.85
Adult Vocational Subjects	0.52

CATEGORY IV: States Reporting Funding by Computed Faculty Postions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

9. Texas (continued)

The proposed state allocation formula for the 1973-75 biennium would fund the general academic programs of study (disciplines) in a manner like that of the vocational technical programs. The state board recommended the following proposed formula rate schedule:

Program Area	(Proposed) $ Rates per Base Period Contact Hour	
	Fiscal Year 1974	Fiscal Year 1975
Agriculture and Natural Resources	1.47	1.52
Architecture and Environmental Design	1.32	1.37
Biological Sciences	1.15	1.19
Business and Management	1.29	1.34
Communications	2.96	3.06
Computer and Information Sciences	2.30	2.38
Education	1.38	1.43
Engineering	1.59	1.65
Fine and Applied Arts	1.76	1.82
Foreign Languages	1.53	1.58
Health Professions	1.65	1.71
Home Economics	1.34	1.39
Letters	1.28	1.32
Library Science	2.13	2.20
Mathematics	1.40	1.45
Physical Sciences	1.35	1.40
Psychology	1.08	1.12
Social Sciences	1.15	1.19

Base Period Contact Hours = Total Contact Hours for the Fiscal Year (Summer through Spring)

A lump sum contingency appropriation to provide for enrollment increases each year should supplement formula funds.

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

10. Washington - (One Full-time Equivalent (FTE) Student = 15 credit hours)

The state formula submitted is the Governor's Legislative Budget Model for the state's community colleges. The model is a procedural guide for generating and summarizing the funding needs in five P.P.B. type program areas: Instruction, Library and Learning Resource Centers, Plant Maintenance and Operations, Student Services, and Administration and General Expenses. State funds allocations are dependent upon the legislature's appropriation level, but follow the guide of the Budget Model.

The process for calculating funding for the five P.P.B. type program areas is as follows:

Program One: Instruction

(a) The full time equivalent (FTE) student enrollment for each discipline (Instructional Course Grouping) is estimated for the budget year. The F.T.E. student enrollments are summed to determine the total academic and vocational F.T.E. students. The fourteen discipline areas are:

Academic	Vocational
1. Business Administration	1. Business & Commerce
2. Sciences	2. Data Processing
3. Mathematics	3. Health Services & Paramedical
4. Social Sciences	4. Mechanical & Engineering
5. Humanities	5. Natural Science
6. Health & Physical Education	6. Public Service Related
7. Education	7. Occupational Support

(b) Each discipline area F.T.E. students estimate is multiplied by a staffing ratio for the discipline to determine faculty position requirements. The faculty position requirements by discipline are summed to determine the total academic and vocational positions.

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

10. Washington (continued)

(c) The total academic and vocational faculty positions needed is separated into estimated full-time and part-time positions.

(d) The calculated full-time faculty positions multiplied times the average full-time faculty salary ($12,330 for 1971-72) equals the full-time faculty salaries amount required. (The 1973-74 average full-time faculty salary was not available at the time of the survey).

(e) The calculated part-time faculty positions multiplied times the average part-time faculty salary ($6,200 in 1973-74 Budget Model) equals the part-time faculty salaries amount required.

(f) The full-time and part-time salaries amounts are summed to determine the total teaching faculty salaries amount.

(g) Instructional program support staff salaries requirements are calculated by multiplying the estimated FTE students by discipline times a staffing cost/FTE student rate for each discipline and summing the support staff dollars per discipline. The number of support staff is equal to the summed support staff dollars divided by the average statewide support staff salary ($5,832 in the 1973-74 model).

(h) The instructional program operations support amount is calculated by multiplying the estimated F.T.E. students by discipline times an operations cost/FTE student rate for each discipline and summing the operations support dollars per discipline.

(i) The total instructional program salaries amount is the sum of the total teaching faculty salaries amount (f), the prescribed average salaries for one Dean of Instruction ($23,093 in 1973-74 model) and two Administrative Assistants ($18,474 each in 1973-74 model), and the total support staff salaries amount (g).

(j) The faculty and staff benefits supplement is equal to 8.99 percent of the total instructional program salaries amount computed in (i).

(k) The grand total funding generated for the program, Instruction, is the sum of the operations support (h) the total salaries computed in (i) plus the total faculty and staff benefits supplement (j).

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

10. Washington (continued)

Program Two: Library and Learning Resource Centers

(a) The collections expenditure (1973-74 Model) is computed by determining the number of collection units, multiplying the total collection units by the dollar replacement rate per unit ($18.92 in 1973-74 Model), and multiplying the replacement value product of the collection by 7.8 percent.

(b) The total staff salaries amount is computed by determining the required total staff positions (for public service, technical processes, and audio visual media) and multiplying by the staffing average man-year salary rate ($9,912 in 1973-74 Model).

one public service staff position = 220 annual average FTE students
one technical processes staff position = 1000 book volumes to be cataloged
one audio visual media staff positon = 50 FTE faculty positions.

(c) The total staff benefits amount is equal to the total staff salaries amount (b) multiplied by 11.19 percent.

(d) The total library and learning resources operations support amount is equal to the total staff salaries amount (b) multiplied by 24.3 percent.

(e) The grand total funding generated for the program, Library and Learning Resource Centers, is equal to the sum of collection expenditures (a), the salaries amount (b), the staff benefits amount (c), and the operations support amount (d).

Program Three: Plant Maintenance and Operations

(a) The total man-years of services are computed in the work areas of janitorial service, grounds maintenance, police, fire and safety services. The man-years of service multiplied times the average man-year cost ($8,312 in Model) equals the amount required for the services.

(b) The buildings maintenance cost is computed. (this page was blank in the material submitted.)

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

10. Washington (continued)

(c) The trucking services amount is computed as one percent of the sum of the operations support component amounts generated in the four other programs: Instruction, Libraries & Learning Resources Centers, Student Services, Administration & General Expense.

(d) The administration of plant maintenance and operations amount is computed as 6.75 percent of the sum of the total dollar requirements generated in: janitorial, grounds, police, fire and safety services (a); building maintenance (b); and trucking services (c).

(e) The amount for staff benefits is equal to 15.6 percent of the sum of the dollar amounts generated in: janitorial, grounds, police, fire & safety services (a); and administration of plant (d).

(f) The amount for utilities is computed as follows:

1. The previous year costs of fuel, electricity, and water are totalled.
2. The previous year utilities cost per square footage of space is calculated.
3. The current year cost/square foot = 1.071 x the previous year $/squarefoot.
4. The current year square footage is multiplied times the current year $/square foot computed for utilities.
5. Utilities maintenance is calculated as 10 percent of the total building maintenance cost.
6. The calculated utilities expenditure for the current year (4) is added to the utilities maintenance amount (5) to equal the total amount for utilities.

(g) The grand total funding generated for the program, Plant Maintenance and Operations, is the sum of: (a), (b), (c), (d), (e), and (f).

Program Four: Student Services

(a) The estimated annualized student headcount is computed by multiplying the estimated annual FTE students times the quotient of the previous year Fall student headcount divided by the previous year Fall FTE student count.

$$\text{Estimated Annualized Headcount} = \frac{\text{Past Yr. Fall Student Headcount}}{\text{Past Yr. Fall FTE Student Count}} \times \text{Estimated current year FTE students}$$

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

10. Washington (continued)

(b) The total student services personnel positions are equal to 10 plus the product of the estimated annualized student headcount multiplied times the factor 0.007.

$$\text{Total Student Services Personnel Positions} = 10 + \left(\frac{7}{1000} \times \text{Estimated Annualized Headcount}\right)$$

(c) The total salaries amount for student services personnel is equal to the total personnel positions (b) multiplied times the average annual salary rate ($9,586 in 1973-74 Model).

(d) The total staff benefits amount is computed by multiplying the salaries amount (c) times 10 percent.

(e) The total dollar amount for operations support is equal to the salaries amount (c) multiplied times 12.27 percent.

(f) The grand total funding generated for the program, Student Services, is the sum of: (c), (d), and (e).

Program Five: Administration and General Expenses

(a) The basic administrative staff are 4 plus the product of the estimated annual average FTE students multiplied times the factor 0.00266.

(b) The basic administrative staff salaries amount is equal to the computed staff positions (a) multiplied times the statewide average salary ($16,559 in the 1973-74 Budget Model).

(c) The purchasing staff positions are calculated by multiplying the factor 0.000766 times the total field orders. The total field orders are determined by multiplying the first 100 F.T.E. faculty positions times 30, and summing this product with the product of the F.T.E. faculty positions in excess of 100 multiplied times 13.9.

(d) The purchasing staff salaries amount is equal to the calculated staff positions (c) multiplied times the statewide average salary ($9,02[illegible] in the 1973-74 Model).

(e) The cashiering staff positions are calculated by multiplying a receipt factor of 6 times the estimated annual student headcount, and multiplying this product times the factor 0.000066.

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

10. Washington (continued)

(f) The cashiering staff salaries amount is equal to the positions (e) multiplied times the statewide average salary ($9,026 in the 1973-74 Model).

(g) The payroll staff positions are equal to one per campus plus the product of the factor 0.002 multiplied times the total faculty F.T.E. positions, calculated staff positions, and man-years amounts derived in the programs: Instruction, Library & Learning Resources, Plant Maintenance & Operations, and Student Services.

(h) The payroll staff salaries amount is equal to the payroll positions (g) x statewide average salary. ($9,026 in 1973-74 Model).

(i) The personnel staff positions are equal to one per campus plus the product of the factor 0.0083 multiplied times the total faculty F.T.E. positions, calculated staff positions, and man-years amounts derived in the programs: Instruction, Library & Learning Resources, Plant Maintenance and Operations, and Student Services.

(j) The personnel staff salaries amount is equal to the personnel staff positions (i) X the statewide average salary. ($9,026 in the 1973-74 Budget Model).

(k) The budgeting, accounting, and reporting staff positions are equal to the factor 2.0 multiplied times the sum of the staff positions computed for purchasing (c), cashiering (e), and payroll (g).

(l) The budgeting, accounting, and reporting staff salaries amount is equal to the calculated positions (k) multiplied times the average statewide salary ($9,026 in the 1973-74 Budget Model).

(m) The total administrative and general expenses salaries amount is the sum of: (b), (d), (f), (h), (j), and (l).

(n) The total dollar amount for staff benefits is equal to the total salaries amount (m) multiplied times 11.27 percent.

(o) The total dollar amount for operations support is equal to the total salaries amount (m) multiplied times 55.18 percent.

CATEGORY IV: States Reporting Funding by Computed Faculty Positions Plus Add-On Aid for Non-Instructional Services and States Reporting Funding by Multi-Level Program Budgeting/Allocation

10. Washington (continued)

(p) The grand total funding generated for the program, Administration & General Expenses, is the sum of: (m), (n), and (o).

The grand totals of funding generated in each of the five P.P.B. type program areas when summed equals the total community college district formula allocation.

SECTION II: ANALYSIS

The maximum reported state funding formulae rates for 1972-73 are exhibited in Table I. Comparison of relative funding support for general academic transfer programs and vocational-technical programs within a state is the primary intent. Caution should be exercised in comparing the maximum support rates between states, because there is disparity in the FTE student definitions and the varied methods of computing total annual FTE student numbers among the states. The states not included in Table I either do not state a $/FTE student rate or have multiple rates that averaging would not accurately represent.

Several states have more than the two broad curricular program categories shown in Table I. As may be noted in the formulae discriptions, Michigan actually has two categories of occupational programs, vocational-technical and health. Michigan's higher rate health category is shown in the table. Florida likewise has two additional broad curricular areas defined as Developmental Instruction and as Community Instructional Services.

TABLE I.

MAXIMUM STATE SUPPORT RATES REPORTED FOR CURRENT OPERATIONS 1972-73

(Rounded to the Nearest Whole Dollar)

States Reporting $/FTE Rates	$/FTE Student General Academic Programs	$/FTE Student Vocational-Technical Programs	Reported method of computing FTE Students/ Enrollment
Arizona	680	950	Fall + Spring Cr. Hr. / 2 X 15 Cr. Hr.
Colorado[1]	575	1,050	Total Yr. Hr. / 45 Cr. Hr.
Connecticut	1,000	1,000	Not a Formula amt., But current support level
Georgia[2]	500	500	----No Information-------
Florida[3]	1,085	1,279	Total Yr. Sem. Hr. / 30 Sem. Hrs.
Illinois	495*	570*	Does not include Special Supplement Grants
Iowa[4]	405	405	Total Reimbursable Hrs. for 180 Days / 540 Reimbursable Hours
Maryland	875	875	Total Yr. Cr. Hr. / 30 Cr. Hr.
Michigan	1,251	2,203	Total Yr. Sem. Hr. / 31 Sem. Hr.
Missouri	400	400	Total Yr. Sem. Hr. / 24 Sem Hr.
New Jersey	600	600	-----No Information ----
New York	746	746	Total Yr. Sem. Hr. / 30 Sem. Hr.
North Dakota	500	500	12 Contact Hrs./Wk. For 30 days/SEM. for 2 SEM.
Ohio	480	810	-----No Information----
Oklahoma[5]	442	442	Total Yr. Sem. Hr. / 30 Sem. Hr.
Oklahoma[6]	589	589	----No Information -----
Oregon	701	701	----No Information------
Texas	640	contact hour rate	Fall Cr. Hr. / 15 Cr. Hr.

TABLE I.

Notes:

1. The rates are for only the colleges operated by local districts.
2. The rate is for only the colleges operated by local districts.
3. The rates are the maximum averages for all curricular programs in the categories.
4. A computed rate from the given: $2.25/F.T.E. enrollment X 180 days.
5. The rate is for only the colleges operated by local districts.
6. The rate for the state junior colleges (averaged).

Table II offers a comparison among the states relating funding categories reported in use during 1972-73. This matrix gives some idea of the wide diversity in funding emphasis perceived among the states.

The differences between curricular program, discipline category, and general program as used in Table II should be explained. Curricular program means broad educational program categories such as academic transfer, vocational-technical, and adult education. Discipline categories refer to a finer delineation of educational effort such as mathematics, engineering, social sciences, nursing, drafting, etc. General program, as used here, refers to the general classification of college operating functions such as instruction, student services, business operations, administration, etc.

A mark (X) in a category for a given state means that the state makes a differentiation in dollar rates in the allocation formula reported. Those states not in the table either did not participate in the study or did not provide sufficient data for interpretation.

TABLE II

Funding Categories in Use 1972-73

State	By Level of Enrollment	By Type College	By Credit or Contact Hour	By FTE Student	By Staff Position	By Curric. Program	By Discipline Category	By General Program
Alabama	X			X				
Arizona	X			X		X		
California				X		X		
Colorado		X		X		X		
Connecticut		X		X				
Florida				X		X	X	
Georgia		X		X	X			X
Hawaii		X		X		X		X
Illinois				X		X		
Iowa				X				
Kansas			X					
Louisiana			X		X		X	
Maryland	X	X		X				
Michigan	X	X		X		X		
Mississippi				X		X		
Missouri				X				
Nevada					X			X
New Jersey				X				
New Mexico				X				
New York		X		X				
N. Carolina				X	X	X		X
N. Dakota				X				
Ohio				X		X		
Oklahoma		X		X	X	X		X
Oregon	X			X				
Rhode Island								
S. Carolina					X		X	
Texas			X	X		X	X	
Washington				X			X	X
Wisconsin				X		X		
Wyoming	X			X		X		

Capital Outlay Formulae

The responses to the request on the questionnaire for the state formula for allocation of capital outlay funds are summarized as follows:

1. Fifteen states indicated an unqualified "none". These were Alabama, Idaho, Iowa, Kansas, Kentucky, Louisiana, Missouri, Montana, Rhode Island, South Carolina, Texas, Utah, Vermont, Wisconsin, and Wyoming.

2. Three states, Massachusetts, New Jersey, and Oklahoma gave no response. The capital outlay formula area was blank.

3. Four states indicated no capital outlay formula and made qualifying statements:

Arkansas -

Capital outlay is the responsibility of the local college district. Replacement of equipment may be funded from operating funds.

Delaware -

Land and facilities are by state bonds sales. Equipment is funded via line ltem budget procedure as are operating expenses.

North Dakota - (no statement, but from attached law:)

No state general obligation bonding is allowed. Capital outlay appears to be funded by local bonds retired by local taxes, tuition and fees.

Virginia -

No formula for funding, but there are state guidelines for 12 of 17 types of space by square footage. The cost per square foot is based upon the type of space and geographic area cost factors.

4. Ten states indicated that capital outlay funding was either by project or state grant with priorities determined at the state level and funds appropriations a matter of negotiation with the legislature. These states were Alaska, Connecticut, Georgia, Hawaii, Maine, Michigan, Nebraska, Nevada, New Mexico, and Ohio.

5. Four states, Colorado, Illinois, Maryland, and New York, gave simple capital outlay matching ratios.

Colorado - (two systems of colleges)

For locally controlled community colleges, the state may match up to 50 percent of capital construction funds as approved by the legislature. However, state matching of local capital outlay is not mandatory. The state junior colleges are funded 100 percent via appropriations determined by the legislature.

Illinois -

Funding is by state approved project with a minimum of 25 percent local funds and the combined state/federal share up to a maximum of 75 percent.

Maryland -

New buildings are constructed on a 50 percent state funds, 50 percent local funds basis.

New York -

The state may provide up to a maximum of 50 percent of the state trustees approved amount for capital expenditure by a college.

6. The seven remaining states responding gave detailed formulae for continuing state support for capital expenditures and/or for computing the state share of capital expenditures.

Arizona -

A. State appropriations for initial capital expenditures may equal up to 50 percent of the total capital expenditures for the college district, [redacted] not exceed $500,000 per campus.

B. Continuing capital outlay funding at $135.00 per annualized FTE student (Fall FTE and Spring FTE average).

California -

State share of capital outlay is equal to the approved college district capital budget minus the product of the relative college district ability to pay times 50 percent of the budget, i.e.:

$$\text{State Share} = \text{Budget Amt.} - \left[\frac{\text{DAV}}{\text{WDSCH}} \div \frac{\text{total state valuation}}{\text{total state WSCH}} \times 50\% \text{ Budget}\right]$$

where: DAV = District Assessed Valuation

WDSCH = Weekly District Student Contact Hours

WSCH = Weekly Student Contact Hours for the State

Florida -

A. Total state funding of facilities according to project priority established by the state using state higher education bonds.

B. Continuing capital outlay funding = ($400.00 per instructional unit X total earned instructional units) - 1.25 percent of total amount.

Mississippi -

A. Each college district is allocated an equal share of 50 percent of the state appropriation for capital outlay.

B. The remaining 50 percent of the state appropriation is allocated proportionally according to the Fall semester audit of full-time transfer credit students who are state residents.

North Carolina -

State funding priority is established by computed construction per FTE student and FTE student space utilization charts. The statutory capital allocation if appropriated is $500,000 maximum for construction per college.

Oregon -

State may reimburse colleges for approved construction projects at the rate of $2,080 per FTE student who is a state resident. The state total reimbursement may not exceed 65 percent of approved project costs.

Washington -

State funding is through legislative authorization by project. Priorities are established by the state via a Capital Analysis Model. The model generates norms for facility space amounts by type space and need per student. The relative needs per type of space are compared statewide among campuses.

SECTION IV: SUMMARY

There was no initial intent in the allocation formulae survey to identify the percentages of funding support obtained from federal, state, and local sources. However, in the formulae submittals of some states and in the copies of laws provided by some states, there was information relating specifically to state versus local shares in funding. Table III was prepared from the submitted data.

Table III is a representation of the state funding participation compared with local funding participation, but does not delineate either inclusion or exclusion of student fees and/or federal funds. It does, however, emphasize the continued trend toward a higher level of state support for the public two-year colleges.

The reported formulae for this type study must of necessity be set within limiting time-frame parameters. This is necessary to target the dynamic situation characterizing state budgeting and funds allocation. The attempt has been to snapshoot the 1972-73 activity.

The overwhelming support and enthusiastic cooperation of the state agencies involved in this survey has provided means to reach beyond the original intents. Twelve states supplied copies of existing laws and/or proposed new legislation on the colleges and their finance. There were also contacts via telephone and face to face supplementing and augmenting responses to the questionnaire. From these sources and the actual questionnaire responses, there is indication of a trend toward greater differentiation of funding categories in allocation formulae and movement toward a

P.P.B. program oriented budgetary process. States indicating movement in this direction are Florida, Hawaii, Louisiana, Nebraska, North Carolina, Oklahoma, South Carolina, Texas, Washington, and Wyoming.

* The twelve states supplying copies of laws are: Arizona, Arkansas, Michigan, Mississippi, Missouri, New York, North Carolina, North Dakota, Oregon, Texas, Wisconsin, and Wyoming.

TABLE III

State and Local Percentages of Support for Public Two-Year Colleges

STATE	Public Support for Operating Expenses		Public Support For Capital Outlay	
	Local Share	State Share	Local Share	State Share
Arizona	-	-	50%	($0.5 million) 50% (maximum/campus)
Arkansas	Local Dist.May Supplement Support	100%	100%	0%
California	varies	varies	(see) 50% (note*)	(for average) 50% (wealth district*)
Colorado I	0%	(State) 100% (College)	0%	(State) 100% (College)
Colorado II	-	-	50% (or more)	(maximum for) 50% (local college)
Connecticut	0%	100%	0%	100%
Delaware	0%	100%	0%	100%
Florida	0%	100%	0%	100%
Georgia I	0%	100%	0%	100%
Georgia II	Percentages not given for local district colleges			
Hawaii	0%	100%	0%	100%
Illinois	approx.63%	approx. 37%	25% to 75%	25% to 75% (including Federal)
Maryland	-	-	50%	50%
Michigan	approx.30%	approx. 70%	-	-
Missouri	50% or more	50% (maximum)	100%	0%
New Jersey	50% (see note)	50% (up to) ($600/FTE)	-	-
New York I[1]	40.5%	33% to 40%	50%	50%
New York II[2]	30.5%	-	-	-
New York III[3]	62.2%	-	-	-
N. Carolina	-	-	50% (see note*)	50% ($0.5 million) (maximum/college)
Oklahoma I	0%	100% (state coll	-	-
Oklahoma II	Percentages not given for locally supported colleges			
Oregon	0%	100%	35% or more	65% (maximum)
South Carolina	-	-	100%	0%
Texas	22%	54%	100%	0%
Virginia	approx. 20%	approx. 80%	-	-
Wisconsin	45%	55%	100%	0%
Wyoming	-	-	100%	0%

Footnotes:
1. Statewide Average for New York
2. Not including New York City College
3. New York City College

APPENDIX A

FORMULA USED FOR STATE LEVEL APPORTIONMENT OF FUNDS
FOR CURRENT OPERATING EXPENSES

Purpose: This questionnaire will be used by the University of Florida/ Florida State University Center for State and Regional Leadership in a nation wide study of states' formulas for funding operating expenses of local institutions.

1. Please provide, in the space below, the formula or formulas used to apportion state level funds* for operating expenses to community/ junior colleges in your state. Additionally, please provide the formula for the distribution of capital outlay funds if such a formula exists and is different from the operating expenses formula.

Operating Expenses Formula: _____

_____

_____

_____

Capital Outlay Formula: (if different from operating expense)_____

_____

_____

_____

2. Please list the total amount apportioned for the last three years and the number of institutions that received the funds:

	Amount	Number of institutions**
1970	_____	_____
1971	_____	_____
1972	_____	_____

If available, please attach copies of the legislation governing the method and amount of apportionments.

THANK YOU FOR YOUR COOPERATION!

*State level funds are all thos monies that are distributed by the state level agency in a proportion or "Formula" determined by that agency.

**Consider multi-unit institutions as one institution.

APPENDIX B

TOTAL DOLLARS APPORTIONED BY STATES TO SUPPORT THEIR PUBLIC TWO-YEAR COLLEGES
Data Not Available From: Alaska, Del., Ind., Minn., N.H., Penn., S.D., Tenn., W. Va.

States	1970 $ (69-70)	1971 $ (70-71)	1972 $ (71-72)	1973 $ (72-73)	# of Districts 70	71	72	73	Qualifying Statements
Alabama	10,083,911	11,833,911	13,333,000		17	18	18		
Arizona	11,106,565	14,031,525	17,510,130		7	7	7		
Arkansas	914,790	1,165,667	1,336,262		2	2	2		does not include voc/ed. funds from Dept. of Ed.
California	126,791,849	153,435,617	165,154,664		68	68	68		there are 68 districts; 96 colleges
Colorado	11,816,889	20,174,895	22,469,768		12	12	12		includes both systems, state c.c. and local suppt. c.c.
Connecticut	12,506,090	15,684,927	17,121,988		12	14	15		includes both tech. college and community college
Florida	81,530,780	97,196,149	113,897,074		27	27	28		operating and capital outlay
Georgia	9,654,000	10,518,000	10,950,000		11	11	11		
Hawaii	7,789,000	9,045,000	10,773,000		5	6	6		
Idaho	28,984,899	32,048,390	33,359,780		4	4	4		state board does not apportion to the two jr. coll.
Illinois	35,497,689	44,025,251	50,135,699	57,082,000	42	45	45	46	includes East St. Louis State Comm. College
Iowa	9,000,000	10,400,000	12,170,000	13,800,000	15	15	15	15	general aid only; does not include federal/state vocational educ. funds
Kansas		3,210,695	3,365,104	3,893,137		19	19	19	
Kentucky	5,634,100	6,291,200	6,953,100		13	13	13		
Louisiana	1,605,668	4,302,332	4,724,553		3	3	3		

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Data Not Available From: Alaska, Del., Ind., Minn., N.H., Penn., S.D., Tenn., W. Va.

States	1970 $ (69-70)	1971 $ (70-71)	1972 $ (71-72)	1973 $ (72-73)	# of Districts 70	71	72	73	Qualifying Statements
Maine	3,652,447	4,190,600	4,806,710						
Maryland	12,011,540	11,009,398	22,469,537		13	14	16		
Massachusetts	19,977,679	23,911,012	27,979,254		13	13	13		does not include capital outlay
Michigan		50,866,000	48,564,800	58,700,000		29	29	29	includes capital outlay
Mississippi		13,922,403	16,349,987	11,384,000	16	16	16	16	the 72-73 amount in operating only
Missouri	9,727,976	8,733,119	11,336,000	14,614,720	12	12	12	12	
Montana		764,723	902,707			3	3		1970 N/A under foundation
Nebraska	2,251,629	4,211,426	4,528,632	8,379,124	13	13	13	7	
Nevada	150,000	175,000	737,471	1,098,944	1	3	3	3	
New Jersey	20,100,000	25,000,000	28,700,000		15	16	17		
New Mexico		1,170,000	1,167,000	1,393,800		8	8	8	
New York		96,250,000	126,700,000	181,900,000		36	38	38	
N. Carolina	41,351,361	41,126,865	55,789,450		54	54	56		
N. Dakota	($1,733,850)		($2,068,500)		3	3	3	3	Biennial (69-71) (71-73)
Ohio		8,647,174	10,355,000	12,131,091		4	4	4	
Oklahoma	5,704,012	data missing	data missing	13,017,878	7			15	operating $ only includes: state jr. colleges, community colleges and OKLA. STATE UNIV. tech. institute

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States	1970 $ (69-70)	1971 $ (70-71)	1972 $ (71-72)	1973 $ (72-73)	# of Districts 70	71	72	73	Qualifying Statements
Oregon	11,582,071	13,555,636	17,403,598		12	12	13		
Rhode Island	3,892,192	4,086,278	7,643,044		1	1	1		
S. Carolina	8,766,325	10,415,820	10,987,431		16	16	17		
Texas	45,600,720	50,644,061	65,195,128	76,926,347	40	40	43	44	
Utah	4,002,242	4,532,740	5,298,209	6,843,630	5	5	5	5	
Vermont	-0-	-0-	-0-	-0-		1	1		
Virginia		22,468,125	28,536,760	41,693,165		16	20	23	does not include capital outlay
Washington		67,791,732	72,195,901	79,863,797		22	22	22	includes Federal funds
Wisconsin	10,333,900	14,321,200	25,686,800		17	17	16		
Wyoming	1,865,170	3,322,878	3,436,602	9,384,928	7	7	7	7	

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